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 and Debtors in Possession

IN THE UNITED STATES BANKRUPTCY COURT  
 FOR THE EASTERN DISTRICT OF VIRGINIA

- - - - - X  
 In re: : Chapter 11  
 :  
 CIRCUIT CITY STORES, INC., : Case No. 08-  
et al., :  
 : Jointly Administered  
 Debtors. :  
 - - - - - X

**ORDER PURSUANT TO 11 U.S.C. §§ 105(a) AND 363 AND FED. R.  
 BANKR. P. 6003 (I) AUTHORIZING CONTINUED MAINTENANCE OF  
 EXISTING BANK ACCOUNTS, (II) AUTHORIZING CONTINUED USE  
 OF EXISTING BUSINESS FORMS, (III) AUTHORIZING CONTINUED  
 USE OF EXISTING CASH MANAGEMENT SYSTEM, (IV) AUTHORIZING  
 INTERCOMPANY TRANSACTIONS AND (V) GRANTING SUPERPRIORITY  
 CLAIM STATUS TO ALL POSTPETITION INTERCOMPANY CLAIMS**

Upon the motion (the "Motion")<sup>1</sup> of the Debtors  
 for an Order, pursuant to Bankruptcy Code sections 105

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<sup>1</sup> Capitalized terms not otherwise defined herein shall have the meanings ascribed to such terms in the Motion.

and 363 and Bankruptcy Rule 6003, (i) authorizing, but not directing, continued maintenance of existing bank accounts, and authorizing a waiver of certain operating guidelines relating to bank accounts, (ii) authorizing, but not directing, continued use of existing business forms, (iii) authorizing, but not directing, continued use of existing cash management system, (iv) authorizing, but not directing, intercompany transactions among the Debtors, and (v) granting superpriority administrative expense claim status to all postpetition intercompany transactions; and upon the Besanko Declaration; and due and sufficient notice of the Motion having been given under the particular circumstances; and it appearing that no other or further notice need be provided; and it appearing that the relief requested by the Motion is in the best interests of the Debtors, their estates, their creditors, and other parties in interest; and after due deliberation thereon and sufficient cause appearing therefor, it is hereby

**ORDERED, ADJUDGED, AND DECREED that:**

1. The Motion is GRANTED as provided herein.

**A. Maintenance of Bank Accounts.**

2. Pursuant to sections 105 and 363 of the Bankruptcy Code, the Debtors are authorized and directed

to (i) designate, maintain, and continue to use any and all of their respective store depository, credit card depository, other depository, concentration, disbursement, payment, operating, and other accounts (collectively, the "Prepetition Bank Accounts") in existence as of the Petition Date, with the same account numbers, including the accounts identified in Exhibit A annexed hereto; (ii) if necessary, open new accounts wherever they are needed, whether or not such banks are designated depositories in the Eastern District of Virginia (such new accounts, together with the Prepetition Bank Accounts, hereinafter the "Bank Accounts"); and (iii) treat the Bank Accounts for all purposes as accounts of the Debtors in their capacity as debtors in possession; provided, however, that the Debtors may only open new Bank Accounts with Banks that agree to be bound by the terms of this Order and, in particular, the Debtors' cash management system.

**B. Use of Business Forms.**

3. The Debtors are authorized to continue to use their existing business forms and checks without alteration or change and without the designation "Debtor in Possession" or a "debtor in possession case number"

imprinted upon them. To the extent the Debtors open or close bank accounts, they shall provide notice to the United States Trustee and the pre- and post-petition lenders. Any new check stock used by the Debtors shall contain the designation "Debtor in Possession".

**C. Cash Management System.**

4. The Debtors are authorized and directed to continue to use their existing cash management system and shall maintain through the use thereof detailed records reflecting all transfers of funds under the terms and conditions provided for by the existing agreements with the institutions participating in the Debtors' cash management system, except as modified by this Order. In connection with the ongoing utilization of their cash management system, the Debtors shall continue to maintain records with respect to all transfers of cash so that all transactions may be readily ascertained, traced, and recorded properly.

5. After the Petition Date, and subject to the terms of this Order, all Banks at which the Bank Accounts are maintained are authorized and directed to continue to administer the Bank Accounts as such accounts were maintained prepetition, without

interruption and in the usual and ordinary course, and to pay any and all checks, wire transfers, electronic funds transfers, or other items presented, issued, or drawn on the Bank Accounts; provided, further, that the Bank Accounts shall be administered in accordance with the Debtors' obligations under debtor-in-possession financing facility (the "DIP Facility") such that, unless otherwise agreed to by the Debtors' postpetition lenders, all amounts shall be upstreamed daily to Bank of America for application against the Debtors' postpetition obligations under and in accordance with the DIP Facility; provided, however, that unless otherwise ordered by the Court, no checks, drafts, electronic funds transfers (excluding any electronic funds transfer that the banks are obligated to settle), or other items presented, issued, or drawn on the Bank Accounts prior to the Petition Date shall be honored.

6. Each Bank that maintains a disbursement account shall implement reasonable handling procedures designed to effectuate the terms of this Order. No Bank that implements such handling procedures and then honors a prepetition check or other item drawn on any account that is the subject of this Order either (i) at the

direction of the Debtors to honor such prepetition check or item, (ii) in the good-faith belief that the Court has authorized such prepetition check or item to be honored, or (iii) as a result of a good faith error made despite implementation of such handling procedures, shall be deemed to be liable to the Debtors or their estates or otherwise in violation of this Order.

7. Subject to the provisions of this Order, the Banks are authorized and directed to honor all representations from the Debtors as to which checks should be honored or dishonored.

8. To the extent applicable, the Court finds and determines that the requirements of Bankruptcy Rule 6003 are satisfied and that the relief requested is necessary to avoid immediate and irreparable harm.

**D. Intercompany Transactions.**

9. The Debtors and the Non-Debtor Subsidiaries are authorized to continue to engage in Intercompany Transactions necessary to execute the cash management system and manage the day-to-day operations of their businesses, and the Debtors and the Non-Debtor Subsidiaries shall continue to maintain records with respect to all transfers of cash (including pursuant to

such transactions) so that all Intercompany Transactions may be readily ascertained, traced, and recorded properly on applicable intercompany accounts.

10. Pursuant to section 364(c)(1) of the Bankruptcy Code all Intercompany Claims arising from Intercompany Transactions between and among the Debtors and the Non-Debtor Subsidiaries after the Petition Date shall be accorded priority over any and all administrative expenses of the kind specified in sections 503(b) and 507(b) of the Bankruptcy Code, subject and subordinate only to (i) other valid liens in existence as of the Petition Date or granted in connection with any post-petition debtor in possession financing granted by this Court and (ii) liens and superpriority administrative expenses granted to the prepetition lenders as adequate protection.

11. The Debtors are hereby authorized to execute any additional documents incident to the relief granted pursuant to this Order.

12. Notwithstanding Rule 6004 of the Federal Rules of Bankruptcy Procedure (to the extent applicable), this Order shall be effective and enforceable immediately upon entry hereof.

13. The Debtors shall serve a copy of this Order on all of the Banks within five (5) business days of the entry of this Order.

14. The requirement under Local Bankruptcy Rule 9013-1(G) to file a memorandum of law in connection with the Motion is hereby waived.

15. This Court retains jurisdiction to hear and determine all matters arising from or related to the implementation interpretation of this Order.

Dated: Richmond, Virginia  
November 10, 2008

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UNITED STATES BANKRUPTCY JUDGE



WE ASK FOR THIS:

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- and -

/s/ Douglas M. Foley  
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901 E. Cary Street  
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**CERTIFICATION OF ENDORSEMENT UNDER LOCAL RULE 9022-1(C)**

I hereby certify that notice of the Debtors' intent to seek entry of the foregoing proposed order was provided to the parties identified in the Motion and copy of this proposed order was provided to the Office of the United States Trustee for the Eastern District of Virginia prior to submission to this Court.

/s/ Douglas M. Foley

**EXHIBIT A**

**(List of Deposit Accounts)**

**Exhibit A**

**List of Bank Accounts**

<b>Bank</b>	<b>Debtor</b>	<b>Account Number</b>	<b>Purpose</b>
American Savings Bank <b>Attn:</b> Mel Yamamoto 677 Ala Noana Blvd. Honolulu, HI 96813 Tel: (808) 539-7811	Circuit City Stores, Inc.	xxxxxx6380	Store Depository
AmSouth/Regions <b>Attn:</b> Dawn Smith 1900 5 <sup>th</sup> Avenue, North 23 <sup>rd</sup> Floor Birmingham, AL 35203 Tel: (205) 264-5222	Circuit City Stores, Inc.	xxxxxx3210	Store Depository
Banco Popular <b>Attn:</b> Amarilis Ginnes 209 Ponce de Leon Ave. Popular Center Building, Floor 6 Hato Rey, Puerto Rico 00917 Tel: (787) 765-9800 (ext. 5800)	Circuit City Stores Puerto Rico LLC	xxxxxx5139	Operating Account
		xxxxxx5120	Depository Account
		xxxxxx5147	Payroll Account
Bank of America <b>Attn:</b> Jay Norris 101 South Tryon Street Charlotte, NC 28255 Tel: (704) 387-3035  Circuit City Global Sourcing Accounts <b>Attn:</b> Darlene Holtz 201 East Washington Collier Center, 22nd Fl Phoenix, AZ 85004 Tel: (602) 523-2141	Circuit City Stores, Inc.	xxxxxx9967	Store Depository
		xxxxxx3301	Credit Facility Funding Account (Z-line)
		xxxxxx5447	Sky Venture Account
		xxxxxxxx1020	Circuit City Global Sourcing U.S. Dollar Account
		xxxxxxxx1012	Circuit City Global Sourcing HK Dollar Account
		xxxxxxxx1038	Circuit City Global Sourcing HK Dollar PC Account
		xxxxxxxx2036	Circuit City Global Sourcing TW Dollar Account
	Circuit City Stores West Coast, Inc.	xxxxxx0844	Circuit City Datamailer (Payroll)
		xxxxxx1029	Concentration Account for Payroll Paychecks

Bank	Debtor	Account Number	Purpose
		xxxxxx1034	Operating Account
		xxxxxx7748	Payroll Account (ZBA)
Chase <b>Attn:</b> Christie Donahue 50 Rowes Wharf, 4 <sup>th</sup> Floor Boston, MA 02110 Tel: (617) 310-0766	Circuit City Stores, Inc.	xxxxxx7244	Store Depository
		xxxxxx0266	Empire Blue Cross/Payment of Medical Claims
FifthThird Bank <b>Attn:</b> Tom Galbo 114 Anderson Farm Ct. Charlotte, NC 28117 Tel: (704) 662-9490	Circuit City Stores, Inc.	xxxx6916	Credit Card
Suntrust <b>Attn:</b> Donna Smith 919 East Main St., 22 <sup>nd</sup> Floor Richmond, VA 23219 Tel: (804) 782-7557	Circuit City Stores, Inc.	xxxxxx3706	Concentration Account
		xxxxxx6660	E/P Disbursement
Wachovia <b>Attn:</b> Parshant Dhiman 301 South Tryon Street, NC 5710 Charlotte, NC 28288-0013 Tel: (704) 383-0803	Circuit City Stores, Inc.	xxxxxxxx5100	Store Depository
		xxxxxxxx9620	American Express Credit Card
		xxxxxxxx4767	Corporate Jet Account
		xxxxxxxx9993	Deposit Account
		xxxxxxxx9858	Tourmalet Corp. - LLC Tax Payments
		xxxxxxxx9528	Ventoux International - Holding Company Tax Payments, Intercompany Interest
		xxxxxxxx0950	Lockbox
		xxxxxxxx4038	Direct Deposit Payroll Settlement
		xxxxxxxx5191	Empire Blue Cross
		xxxxxxxx7073	Extended Service Contract Warranty Payments
		xxxxxxxx4528	Fifth Third Bankcard
		xxxxxxxx3099	Fifth Third Check Collection – gift card purchases over the web with gift cards
		xxxxxxxx8908	HFC third party financing sales commissions
		xxxxxxxx1509	Main Concentration/Operating Account
		xxxxxxxx6031	Music Payables
		xxxxxxxx9175	Purchasing Co., LLC Main Operating Account
		xxxxxxxx0992	Purchase Co., LLC Purchase EP disbursement

Bank	Debtor	Account Number	Purpose
		xxxxxxxx1107	Reverse Affiliates Lockbox
		xxxxxxxx1048	Sales Receivables Lockbox
		xxxxxxxx6044	Service Payables
		xxxxxxxx2189	Payments from Sublease Tenants
		xxxxxxxx9133	Trading Circuits – internet sales of merchandise not sold in stores
		xxxxxxxx6733	Vendor Disbursements
Wells Fargo Attn: Ryan Carlson MAC N9305-052, 6 <sup>th</sup> & Marquette Minneapolis, MN 55479 Tel: (612) 667-9566	Circuit City Stores, Inc.	xxxxxx4672	Store Depository

**EXHIBIT B**

**(Cash Management System Flow Chart)**

**EXHIBIT B**

List of Investment Accounts

Bank	Debtor	Account Number
Bank of America/CRP Securities, LLC  <b>Attn:</b> Laura Bynum 600 Peachtree St. NE 4 <sup>th</sup> Floor Atlanta, GA 30308 Tel: (404) 607-4943 Fax: (404) 607-6624	Circuit City Stores, Inc.	xx7458
Fifth Third Securities, Inc.  <b>Attn:</b> J.B. Ward 38 Fountain Square Plaza Cincinnati, OH 45263 Tel: (513) 534-3072	Circuit City Stores, Inc.	xxxxxx9774
J.P. Morgan Securities, Inc.  <b>Attn:</b> James M. Griffin 270 Park Ave. 8 <sup>th</sup> Floor New York, NY 10117 Tel: (212) 834-2300	Circuit City Stores, Inc.	xx2526



Bank	Debtor	Account Number
Merrill Lynch Global Institutional Advisory Division  <b>Attn:</b> Scott Dorsey 100 Jericho Quadrangle P.O. Box 787 Jericho, NY 11753 Tel: (516) 827-3283 Fax: (516) 935-5330	Circuit City Stores, Inc.	xxxx07Z07
RBC Dain Rauscher  <b>Attn:</b> Paul Kitzinger 100 Second Ave. South Suite 800 St. Petersburg, FL 33701 Tel: (727) 502-3634	Circuit City Stores, Inc.	xxxxxxxx1817
UBS Financial Services, Inc.  <b>Attn:</b> Steven Hayden 33 South 6 <sup>th</sup> Street Suite 3737 Minneapolis, MN 55402 Tel: (612) 371-4129 Fax: (612) 371-4117	Circuit City Stores, Inc.	xxxx3160

Bank	Debtor	Account Number
Wachovia Bank & Securities  <b>Attn:</b> Eddie Tugman One Wachovia Center NC 0602 Charlotte, NC 28288 Tel: (704) 374-4164 Fax: (704) 374-3375	Circuit City Stores, Inc.	xxxx9008